

**PROPOSED REGULATION OF THE DEPARTMENT OF MOTOR
VEHICLES**

LCB File No. R052-01

September 14, 2001

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-11, NRS 482.281.

Section 1. Chapter 482 of NAC is hereby amended by adding thereto a new section to read as follows:

1. Before an authorized inspection station or authorized station may renew registrations of motor vehicles or offer services for the renewal of registrations of motor vehicles, the authorized inspection station or authorized station must:

(a) Meet the eligibility requirements set forth in NAC 482.720;

(b) Submit an application pursuant to NAC 482.725;

(c) Submit the required bond pursuant to NAC 482.745; and

(d) Receive written approval from the department to participate in the program.

2. An authorized inspection station or authorized station that has not received written approval from the department to participate in the program shall not renew registrations for motor vehicles or offer services for the renewal of registrations of motor vehicles.

Sec. 2. NAC 482.700 is hereby amended to read as follows:

482.700 As used in NAC 482.700 to 482.765, inclusive, *and section 1 of this regulation*, unless the context otherwise requires, the words and terms defined in NAC 482.705, 482.710 and 482.715 have the meanings ascribed to them in those sections.

Sec. 3. NAC 482.715 is hereby amended to read as follows:

482.715 ~~["Pilot program"]~~ **"Program"** means the ~~[pilot program required to be]~~ **program** established by the department pursuant to NRS 482.281 ~~[.]~~ ***pursuant to which authorized inspection stations and authorized stations may renew registrations of motor vehicles or offer services for the renewal of registrations of motor vehicles.***

Sec. 4. NAC 482.720 is hereby amended to read as follows:

482.720 To be eligible to participate in the ~~[pilot]~~ program, an authorized inspection station or authorized station ~~[.]~~

~~—1. Must have been continuously licensed by the department as an authorized inspection station or authorized station for not less than 2 years immediately preceding the date of application; and~~

~~—2. Must not:~~

~~—(a)] must not:~~

1. Have committed any violation set forth in NRS 445B.790;

~~[(b)]~~ **2.** Be owned, in whole or in part, by ~~[, or employ,]~~ any person who has been convicted of a felony ~~[.]~~ ***for committing:***

(a) *A deceptive trade practice; or*

(b) *Embezzlement;*

~~[(e)]~~ **3.** Have issued a check to the department in payment of the fee to obtain forms certifying emission control compliance set forth in NRS 445B.830 that was returned for insufficient money or credit to pay the check; or

~~[(d)]~~ **4.** Possess a license from the department to engage in the activities of:

~~[(1)]~~ **(a)** A vehicle transporter pursuant to the provisions of NRS 482.3161;

~~[(2) A new vehicle dealer, used vehicle dealer, manufacturer, distributor or rebuilder pursuant to the provisions of NRS 482.322;~~

~~— [(3)] (b) A broker of vehicles pursuant to the provisions of NRS 482.333;~~

~~[(4) A salesman of vehicles, trailers or semitrailers pursuant to the provisions of NRS 482.362;~~

~~— [(5) Leasing vehicles as a long-term or short-term lessor pursuant to the provisions of NRS 482.363;~~

~~— [(6)] (c) Dismantling, scrapping, processing or wrecking a vehicle pursuant to the provisions of NRS 487.050;~~

~~[(7)] (d) Operating a salvage pool pursuant to the provisions of NRS 487.410; or~~

~~[(8)] (e) Operating a body shop pursuant to the provisions of NRS 487.610.~~

Sec. 5. NAC 482.725 is hereby amended to read as follows:

482.725 An authorized inspection station or authorized station that wishes to participate in the ~~[pilot]~~ program must:

1. Submit an application to the department on a form provided by the department.
2. Provide any additional information that the department may require to evaluate the application.

Sec. 6. NAC 482.745 is hereby amended to read as follows:

482.745 1. Except as otherwise provided in subsection 2, before an authorized inspection station or authorized station that is selected to participate in the ~~[pilot]~~ program may renew a certificate of registration for a motor vehicle, ~~[it shall]~~ *the authorized inspection station or authorized station must* obtain and file with the department a good and sufficient bond in an amount of ~~[\$15,000]~~ *\$10,000* subject to the condition that the station conduct its business as an

authorized inspection station or authorized station in the ~~[pilot]~~ program without fraud or fraudulent representation and without violating any of the provisions of chapters 445B, 482, 597 ~~[and]~~ or 598 of NRS or NAC 482.700 to 482.765, inclusive ~~[,]~~, or *section 1 of this regulation*. Each bond must have a corporate surety thereon that is licensed to do business within this state and must be approved as to form by the attorney general.

2. In lieu of filing a bond, an authorized inspection station or authorized station may place on deposit with the department an amount equal to ~~[\$15,000]~~ \$10,000 in the form of:

- (a) Cash;
- (b) A bond issued by the United States; or
- (c) A savings certificate.

3. A deposit placed with the department pursuant to subsection 2 must be:

(a) Subject to the condition that the authorized inspection station or authorized station conduct its business as an authorized inspection station or authorized station in the ~~[pilot]~~ program without fraud or fraudulent representation and without violating any of the provisions of chapters 445B, 482, 597 ~~[and]~~ or 598 of NRS or NAC 482.700 to 482.765, inclusive ~~[,]~~, or *section 1 of this regulation*; and

(b) Available for withdrawal only upon the order of the department.

4. The department will require an increase in the amount of the bond or deposit of an authorized inspection station or authorized station if the department deems it to be necessary and in the public interest.

5. The undertaking in the bond or deposit must include, without limitation, any fraud or fraudulent representation or violation of any of the provisions of chapters 445B, 482, 597 ~~[and]~~

or 598 of NRS ~~[and]~~ *or* NAC 482.700 to 482.765, inclusive, *or section 1 of this regulation*, by any employee or agent of the authorized inspection station or authorized station.

6. The bond or deposit must provide that any person injured by an action of the authorized inspection station or authorized station, or an employee or agent of such a station, in violation of any of the provisions of chapters 445B, **482**, 597 or 598 of NRS or NAC 482.700 to 482.765, inclusive, *or section 1 of this regulation*, may bring an action on the bond.

7. Any money received by the department pursuant to this section will be deposited with the state treasurer for credit to the motor vehicle fund.

Sec. 7. NAC 482.750 is hereby amended to read as follows:

482.750 1. Liability under a bond which is filed or a deposit which is made with the department pursuant to NAC 482.745 will be in an amount prescribed by the department.

2. The department will suspend the participation of an authorized inspection station or authorized station in the ~~[pilot]~~ program if:

(a) The amount of the bond filed or the deposit made is reduced below the amount required by the department pursuant to NAC 482.745; or

(b) There is an outstanding judgment for which the authorized inspection station or authorized station is liable under the bond or deposit.

3. An authorized inspection station or authorized station whose participation in the ~~[pilot]~~ program is suspended pursuant to subsection 2 will be reinstated if the station:

(a) Files an additional bond pursuant to NAC 482.745;

(b) Restores the deposit to its original amount; or

(c) Satisfies the outstanding judgment for which it is liable.

Sec. 8. NAC 482.755 is hereby amended to read as follows:

482.755 A bond which is filed or a deposit which is made with the department pursuant to NAC 482.745 may be:

1. Disbursed by the director, for good cause shown and after notice and hearing, in an amount determined by the director to compensate a person injured by an action of the authorized inspection station or authorized station, or an employee or agent of such a station.

2. Released by the director upon the receipt by the department of a statement that:

(a) Is signed by a person under whose name the bond or deposit is made;

(b) Is acknowledged before any person authorized to take acknowledgments in this state;

(c) Requests the director to release the bond or deposit, or a specified portion thereof; and

(d) Sets forth the purpose for which the release of the bond or deposit is requested.

3. Refunded by the director:

(a) One year after the date the participation of an authorized inspection station or authorized station in the ~~[pilot]~~ program terminates if the director determines that there are no outstanding claims against the bond or deposit; or

(b) Pursuant to an order of a court of competent jurisdiction.

Sec. 9. NAC 482.760 is hereby amended to read as follows:

482.760 During the period of its participation in the ~~[pilot]~~ program, an authorized inspection station or authorized station:

1. Shall:

(a) Be open to the public for the renewal of certificates of registration for motor vehicles at least Monday through Friday from 8 a.m. to 5 p.m., except on the holidays set forth in NRS 236.015;

(b) Employ at the station at least two approved inspectors whose duties include the renewal of certificates of registration for motor vehicles and who are licensed pursuant to the provisions of NAC 445B.485 to 445B.502, inclusive;

(c) Maintain the records relating to the ~~["pilot"]~~ program where the renewal of certificates of registration for motor vehicles are issued; ~~["and"]~~

(d) Authorize the department or any person designated by the department to conduct audits of ~~["its"]~~ *the station's* records relating to the ~~["pilot"]~~ program:

(1) Within 3 months after the authorized inspection station or authorized station begins issuing the renewal of certificates of registration for motor vehicles;

(2) At least once every 12 months after completion of the initial audit; and

(3) At any other time requested by the department; and

(e) Deposit the money it has collected from the renewal of certificates of registration for motor vehicles with the department at the location designated by the department. The deposits must be made:

(1) Not less than once each calendar week; and

(2) If the money accumulated for deposit is \$10,000 or more, not later than the next business day.

2. Shall not:

(a) Charge a fee of more than ~~["\$2"]~~ **\$10** to renew a certificate of registration for a motor vehicle; *or*

(b) ~~["Employ a person to renew certificates of registration for motor vehicles who has:~~

~~——(1) Not completed a course of training provided by the department; or~~

~~——(2) Been convicted of a felony; or~~

~~(e)~~ Use or permit its employees to use:

(1) False, deceptive or misleading advertising to induce a person to renew the certificate of registration for his motor vehicle at that authorized inspection station or authorized station; or

(2) The name of the department or the state seal in any advertisement for the renewal of a certificate of registration for a motor vehicle.

3. May:

(a) Use software that is issued and installed by the department to process the renewal of certificates of registration for motor vehicles; and

(b) Use the website of the department on the Internet to process the renewal of certificates of registration for motor vehicles.

Sec. 10. NAC 482.765 is hereby amended to read as follows:

482.765 The department may terminate the participation of an authorized inspection station or authorized station in the ~~[pilot]~~ program. The grounds for termination include, without limitation:

1. The failure of the authorized inspection station or authorized station to engage in business;

2. The failure of the authorized inspection station or authorized station to comply with the applicable provisions of:

(a) Chapter 445B of NRS;

(b) Chapter 445B of NAC;

(c) Chapter 482 of NRS;

(d) Chapter 482 of NAC;

(e) Chapter 597 of NRS;

(f) Chapter 598 of NRS; or

(g) Chapter 598 of NAC; *or*

3. The failure of an authorized inspection station or authorized station to maintain the bond or deposit required by NAC 482.745 . ~~;~~ ~~or~~

~~4. A violation of any provision of the contract required by NAC 482.740.]~~

Sec. 11. NAC 482.730, 482.735 and 482.740 are hereby repealed.

TEXT OF REPEALED SECTIONS

482.730 Selection of participants. (NRS 482.281)

1. The department will select the stations to participate in the pilot program from among the eligible stations that submit applications.

2. The department may consider the location of an authorized inspection station or authorized station in determining whether to select that station to participate in the pilot program.

482.735 Number of participants. (NRS 482.281) The department will limit the participation in the pilot program to not more than six authorized inspection stations or authorized stations at any time. Not more than four authorized inspection stations or authorized stations will be located in Clark County, and not more than two authorized inspection stations or authorized stations will be located in Washoe County.

482.740 Contract. (NRS 482.281) Before an authorized inspection station or authorized station that is selected to participate in the pilot program may renew a certificate of registration for a motor vehicle, it must enter into a contract with the department. The contract will set forth the:

1. Procedure for the renewal of a certificate of registration for a motor vehicle; and
2. Equipment that the authorized inspection station or authorized station must use and maintain to participate in the pilot program. A list of that equipment may be obtained from the department by submitting a written request to:

Department of Motor Vehicles and Public Safety

Management Services and Program Division

Emission Program Unit

555 Wright Way

Carson City, Nevada 89711